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MAKING AMERICA GREAT AGAIN

ECONOFICTION CAPITAL AS POWER, DIFFERENTIAL PROFITS, FOREIGN PROFITS, PROFITRATE, TRUMP

Can Trump reverse or even dent this long-term evisceration of "America"? The short answer is no. So far, his policies have only hastened this evisceration, accelerating the upward redistribution of income and amplifying the de-Americanization of U.S. corporations. During his three years in office, the share of foreign profit, instead of falling, has risen dramatically (final red segment in the top series of Figure 4). Based on his record, it is no wonder that the U.S. "business community", and particularly its leading firms, are firmly behind him.

The only hair in the soup is his so-called trade war against China (Bichler and Nitzan 2018). On the face of it, this "war" looks like a flash-in-the-pan media stunt. China is unlikely to succumb in any meaningful way – and even if it does, exports are a sideshow for U.S. corporations (bottom series in Figure 4), so the overall impact on the global profit share of U.S. firms is likely to be marginal.

But international trade is not an isolated process. The "free" (read corporate-determined) flow of commodities is the bedrock of "free" (read corporate-determined) foreign investment, and if Trump's trade war develops into a full-scale investment war, all bets will be off. At that point, and assuming he is still there, the maker of a great-again-America will likely be pressured to reverse course or lose the presidency.

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Foto: Stefan Paulus

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